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Country programme outline for Venezuela (2003-2007)*

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* The collection and analysis of current data required to present the Executive Board with the most up-to-date information has delayed submission of the present document.

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Introduction

1. This document was prepared in conformity with the Economic and Social Development Plan, 2001-2007, by a joint team from the Government of Venezuela and UNDP. It reflects the results of consultations with governmental authorities, political and social actors and international organizations and those of the United Nations system.

I. Situation analysis

2. After a long period of stability in the 1990s, the Venezuelan political scene grew turbulent after political parties progressively lost their legitimacy. In December 1998, a new administration was elected, which commenced its term of office with the adoption of the new Constitution of 1999.

3. With regard to social issues, while Venezuela has a relatively high standard of living compared to other Latin American countries, the human development index decreased in the past decade. Around 1998 50 per cent of families were living in poverty, and since 1995 unemployment has stood at more than 10 per cent. The infant and maternal mortality rates recently declined, but are still high. Enrolment in pre-school and basic and specialized secondary education is low, and the drop-out rate is high. The unequal distribution of income among families and in the territory is also glaring. According to the *Human Development Report*, in 1998 there was a 10-year difference in life expectancy between the poorest and the wealthiest states.

4. These indicators, in a country rich in resources, stem from the weakening, fragmentation and discontinuity of institutions, which have undermined the effectiveness of policies and of programme quality.

5. The Venezuelan economy has not been able to diversify and continues to depend on oil. A drop in the price of crude oil, on the heels of relative prosperity in 2000 and 2001, could cause fiscal difficulties. The trend in the gross domestic product was erratic during the past decade. After a decline in 1998 and 1999, there was a modest recovery in 2000 and 2001 (3.2 per cent and 2.7 per cent, respectively). The inflation rate, which exceeded 100 per cent in 1996, gradually declined to 12.3 per cent in 2001.

6. The main challenge for the national economy is to avoid instability and set the stage for robust growth through a more diversified and technologically up-to-date productive structure, with highly capable human resources, in order to stand up to international competition.

7. On the basis of the new Constitution, strides were made in the establishment of principles and institutions for the defence of human rights; however, the country is in a transition process, and the necessary legal and institutional framework has not yet become fully operational.

8. On the basis of the principles and the human and social rights enshrined in the new Constitution, in October 2001, the Economic and Social Development Plan, 2001-2007, was published; its cornerstone is the simultaneous achievement of balance in the economic, social, political, territorial and international spheres.

9. The country's political balance must be achieved by modernizing the political system and incorporating institutional reforms conducive to participatory social democracy, so that people will have the capacity to regulate and effectively control public administration.

10. Medium-term objectives under the Development Plan are the achievement of social justice, according priority to collective over individual interests, and strengthening democracy in terms of access to education, administration, health, housing, culture, recreation and security.

11. The Government has expressed its commitment to the goals of the United Nations conferences of the 1990s and the objectives of the Millennium Declaration, particularly poverty reduction and higher human development indices, and is very interested in South-South cooperation. Venezuela is currently the Chairman of the Group of 15 and the Group of 77.

12. After the Earth Summit, held in Rio de Janeiro in 1992, Venezuela attempted to harmonize the objectives of Agenda 21 with national objectives. It undertook a detailed diagnosis of biological diversity, including the identification of bio-ecological regions and the formulation of a medium-term strategy. The environmental programme is one of the priorities under the Development Plan.

II. Past cooperation and lessons learned (1997-2001)

13. UNDP has facilitated the process of dialogue and has played an outstanding role in the implementation of projects in critical areas; it has also steadily cooperated with counterpart government officials in order to achieve the overall harmonization of activities. It was decided that the new programme should begin in January 2003 and that, until then, activities would continue to be adapted to the current areas of concentration. Through such cooperation, significant results were achieved and valuable experience was gained, as indicated below.

A. Outcomes

- Broad public dissemination of and debate on human development. National reports published and promoted at the highest level of Government and Venezuelan society.
- Utilization of the *Human Development Report 2000* in the allocation of government resources to social programmes and vulnerable groups.
- Creation of reliable databases and social information systems and establishment of a local system for managing gender-disaggregated statistics on education, health and population.
- Contribution to a modern system for the control of public finances, bringing transparency to the management of sizeable external and government resources.
- Strengthening of local mechanisms for sustainable human development.
- Institutional strengthening of the health system's governing body.
- Contribution to better-quality health and education services by equipping 7 hospitals, 655 outpatient clinics and 19,410 basic school libraries.
- Strengthening of the Integral Health Care Model.
- Development of priority aspects of the National Programme for Endemic Disease Control and the National Plan for the Elimination of River Blindness.
- Organization of major bidding for the procurement of high-priority medical equipment.
- Restructuring and modernization of environmental management.
- Institutional strengthening of the judicial system and preparation of draft reforms of basic legislation.
- Strengthening of decentralization.
- Support for the creation and strengthening of the Ombudsman's Office.
- Emergency assistance in the wake of the floods of 1999 and contribution to the formulation of the National Risk Management and Disaster Prevention and Mitigation Plan, and to the incorporation of a gender perspective in the formulation process.
- Compilation of and preliminary progress report on commitments undertaken by Venezuela at international conferences.

B. Lessons learned

- New paradigms and innovative strategies in such areas as biodiversity, the generation of national and local statistics and private-sector participation in supporting public programmes.
- High level of government financing ($220 million). The concentration of the activities in priority areas has led to a reduction in the number of projects being carried out (from 55 to 39) and thus to greater efficiency.
- Promotion of the capacity to integrate the private sector, civil society and the United Nations in the preparation of relevant and innovative programmes, including the judges' human rights training programme, formulated in cooperation with *Statoil* of Norway, Amnesty International and UNDP.
- UNDP cooperation was of paramount importance in defining and focusing greater attention on the serious problem of poverty, in accordance with the recommendations of the Millennium Declaration.
- Major results have been documented and disseminated in books and technical reports with a view to their replication.

- Given the crucial importance of the design phase of programmes and projects, preparatory assistance must be used with greater frequency. Special attention should be given to output indicators.
- The process already under way should be expanded by harnessing highly qualified national human resources.
- The Resident Coordinator should continue to promote coordination of the activities of international cooperation agencies.
- The continuity of participating government officials is essential to the effectiveness of programmes and projects.
- The sustainability of cooperation should be enhanced by the work of "think tanks" in order to strengthen the selection and formulation of projects and project support.

III. Proposed programme

14. The activities of the 2003-2007 programme will be carried out in an enabling environment that will help the country to achieve the global objectives agreed on by the international community, in particular, the objectives of the Millennium Declaration and national priorities. To that end, the activity of the agencies of the United Nations system with offices in Venezuela will be coordinated, in full conformity with the United Nations Development Assistance Framework (UNDAF) under preparation. The programme will adopt gender equity and human rights as its basic cross-cutting themes and will help to:

- Consolidate human development as a priority and the cornerstone of national advancement;
- Offer advisory services and cooperation in such priority areas as democratic governance; poverty reduction; environmental preservation; energy; emergency and disaster prevention and relief; information and communication technologies; and the prevention and control of HIV/AIDS;
- Strengthen national capacity to carry out policies and implement priority programmes and projects.

15. The proposed areas of work correspond to five of the six areas of concentration defined by UNDP: poverty reduction, democratic governance, energy and the environment, information and communication technologies, and crisis prevention and recovery. It is hoped that an enabling environment will help to put human development concepts into practice.

16. UNDP will promote sustainable human development, offer high-level advisory services in priority areas and, where necessary, facilitate the prompt and efficient management of programmes and projects likely to generate opportunities for human resources training and lend themselves to duplication on a national, regional, state and local scale. Programme activities will be carried out, where appropriate, in partnership with international and Venezuelan financial organizations and bilateral programmes and with the private sector and civil society.

IV. Programme management, monitoring and evaluation

17. The UNDP office has introduced an innovative management model comprising three areas: project management, programme development, and administration. The aim is to contribute to capacity-building for substantive action in themes central to policy-making. Executing agencies will be the Government, other national entities or UNDP, as appropriate.

18. The Ministry of Planning and Development, which is responsible for the Economic and Social Development Plan 2001-2007, will ensure that the content of programmes and projects responds to national priorities and will be responsible for monitoring and evaluating the outcomes.

19. The resource mobilization strategy will be maintained, in response to the 41 per cent increase in the total amount of the programme. The Government will continue to be the main source of financing. Other resources will come from the World Bank, the Inter-American Development Bank and the Andean Development Corporation, as appropriate. The contributions of other organizations, such as *Statoil* of Norway, the Venezuelan Petroleum Corporation and the Venezuelan Banking Association, will be consolidated.

20. Monitoring will take place on the basis of the information and indicators contained in the national human development reports and the information systems and databases of the National Statistical Institute.

Annex

Results and resources framework

Strategic area of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support/outcome or programme area (in thousands of US dollars)*
Strategic leadership of the resident coordinator system in the follow-up to the Millennium Declaration and other international commitments	Systematic monitoring of progress in achieving national and global goals	Monitoring and analyses in common country assessment (CCA) of the follow-up to global conferences	Availability of CCA and UNDAF as guidelines for joint actions to be undertaken with the Government	*Regular budget*:
	Timely monitoring of the country's progress with regard to commitments undertaken at various conferences, particularly the Millennium development goals	Preparation of periodic progress reports which are disseminated in relevant government entities	Establishment of a system to monitor the fulfilment of commitments, with special emphasis on Millennium development goals	*Other resources*: Government cost-sharing, third-party cost-sharing plus trust funds Total: 6 550
	Launching of a substantive dialogue with the Government by the United Nations system, with the Resident Coordinator acting as facilitator	Establishment of common programmes in accordance with national priorities and the mandate of the United Nations system	Convening of periodic meetings of the Resident Coordinator and representatives of the various agencies with relevant counterpart government officials	
	Enhanced effectiveness of Venezuela's participation in international forums and mechanisms	Joint elaboration of programmes is reflected in greater effectiveness of meetings	Organization by UNDP, in conjunction with the Ministry of Foreign Affairs, of preparatory seminars for international forums and conferences	

Strategic area of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support outcome or programme area (in thousands of US dollars)*
Advisory services and advocacy in priority areas: (a) democratic governance	Expansion of the public debate on human development and topics of national interest	Simultaneous with elaboration and dissemination of national human development reports, broad coverage is given to the concept of human development in the press, on the radio and television and over the Internet	Elaboration, issuance and wide dissemination of national human development reports and other related materials	*Regular budget*: 972 *Other resources*: Government cost-sharing, third-party cost-sharing plus trust funds
		Effective utilization of national human development reports to promote public debate and changes in human development policies	Establishment and operation of National Human Rights Network	
		Adoption of human development curricula and specialized courses	Establishment and operation of human development academic network. Improvement in the system and administration of justice, and alternative means of settling disputes. Formulation and teaching of specialized courses in human development	110 826 Total: 111 798
	Increased use of the concept of human development and related topics in the formulation and application of public policies	Reflection of the concept of human development in public policies	Strengthening of the Advisory Council on Human Development. Development and dissemination of human rights methodologies and their impact on public policies	

Strategic area of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support/outcome or programme area (in thousands of US dollars)*
	Greater access to the courts at all levels	Better image of the courts among the citizens	Improvement in the system and administration of justice, and alternative means of settling disputes	
	Strengthening of the social systems for the promotion and protection of human rights	Greater effectiveness and better-quality operation of the social systems for the protection of human rights	Greater institutional development of the ombudsman and other national mechanisms for the protection of human rights	
		Greater public awareness and exercise of the rights enshrined in norms and treaties	Dissemination of human rights principles, norms and treaties	
	Reform of the planning and budgeting processes at the subnational level with a view to more effective incorporation of grass-roots perspectives	Incorporation of communities and the private sector in local planning processes	Implementation of strategic programmes and those which promote local development in accordance with sustainable human development methodology by selected regional and local governments, non-governmental organizations and local entities of the private sector	
	Establishment of an effective legal and policy framework for decentralized administration	Adoption and implementation in practice of a legislative framework for decentralization	Establishment of the legal and policy framework set out in the Constitution	

Strategic area of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support/outcome or programme area (in thousands of US dollars)*
	Increase in the public sector's managerial capacity and its capacity to provide services	Greater equity and efficiency in the provision of public services	Establishment of information and management systems which can improve internal processes and the provision of services by public entities	
Advisory services and advocacy in priority areas: (b) poverty	Substantial improvement in national capacity to collect data on poverty and its relationship to other social phenomena	Provision of periodic reliable estimates on poverty and its relationship to other policy areas to managers at the highest level	Elaboration and utilization by the government entities responsible for social issues of analytical tools for the design of poverty reduction policies Generation and dissemination of information disaggregated by state and municipality	*Regular budget:*
	Incorporation of an integral approach in the policy and planning framework in accordance with Millennium development goals concerning poverty	Increased capacity to disaggregate poverty-related problems and their causes by territory and to design policies accordingly	Elaboration and broad debate of proposals on strategies and policies to reduce poverty and inequality	*Other resources:* Government cost-sharing, third-party cost-sharing plus trust funds
		Establishment of goals to reduce poverty and improve human development indices	Elaboration and presentation of macroeconomic options which have an impact on poverty	Total: 56 500

Strategic area of support	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources by strategic area of support/outcome or programme area (in thousands of US dollars)*
Advisory services and advocacy in priority areas: (c) HIV/AIDS	Enhanced institutional capacity to plan and implement multisectoral strategies to control the HIV/AIDS epidemic	National, multisectoral and concerted response to the AIDS epidemic within the framework of human rights and gender-awareness	Implementation of activities to determine the magnitude of the HIV/AIDS epidemic and mitigate its socio-economic impact	Government cost-sharing, third-party cost-sharing plus trust funds Total: 50
Advisory services and advocacy in priority areas: (d) information and communication technologies (ICT)	Institutional capacity to carry out programmes and projects which guarantee sustainable development of ICT	Capacity-building of government agencies in the formulation and implementation of ICT projects	Proposals for the ongoing and efficient strategic development of ICT. Integral systems of indicators and structures for the sector	Third-party cost-sharing plus trust funds Total: 13 074
	Expanded cooperation between the public and private sectors to afford access to marginalized communities and groups	Implementation of projects to afford ongoing and efficient access to ICT	Grass-roots initiatives for Internet access. Large-scale dissemination of ICT. Strategies for access through educational networks	
Advisory services and advocacy in priority areas: (e) environment, energy and natural disaster	Integration of global, environmental and energy sustainability objectives in national and sectoral development planning	Adoption by the Government of a strategy/plan/ programme which incorporates the objectives of international environmental and sustainable development agreements in national goals with a view to their implementation and evaluation	National preparation and follow-up process for the World Summit on Sustainable Development	Third-party cost-sharing plus trust funds Total: 12 650
	Incorporation of the principles of prevention of and reduced vulnerability to natural disasters in national and sectoral policies	National and sectoral policies and plans linking short-term prevention to long-term vulnerability reduction	Elaboration and coordination of a national plan for natural disaster prevention and vulnerability reduction	